

# TFI GCC Equity Opportunities Fund (Q)

MARCH 2014  
FACTSHEET

## Fund Objective

The First Investor GCC Equity Opportunities Fund (Q) (the "Fund") is an open-ended collective investment scheme registered under the Laws of Qatar, founded by Barwa Bank Q.S.C. and managed by The First Investor Q.S.C.C. The objective of the Fund is to achieve long-term capital growth through investments in a broadly diversified portfolio of equities and equity related securities of companies listed on exchanges within the Gulf Cooperation Council (the "GCC") countries. Investment in the Fund is limited to Qatari individuals and institutions. This fund was awarded "Best Islamic Investment Fund" by *Banker Middle East*, Product Awards 2013.



## Fund Facts

Fund Information		Top 5 Holdings			
Net Asset Value / Unit	31 March 2014	QAR 1,359.48	Industries Qatar	12.5%	
Net Asset Value / Unit	28 February 2014	QAR 1,319.97	Emaar Properties	10.3%	
Fund Type	Open Ended, Shariaa Compliant			Saudi Basic Industries Corp.	9.9%
Risk Level	High			Saudi Pharmaceutical Ind.	5.6%
Subscription / Redemption	Monthly			Qatar Fuel Co.	5.3%
Next Subscription Deadline	24 April 2014			Fund Fees	
Next Redemption Deadline	17 April 2014			Subscription Fee	1.00%
Inception Date	31 October 2012			Management Fee	1.50% per year (paid monthly pro-rata)
Founder	Barwa Bank Q.S.C.			Performance Fee	10% p.a. above hurdle rate of 10%
Fund Manager	The First Investor Q.S.C.C.			Redemption Fee	0.50%
Custodian	HSBC Bank Middle East Limited, Qatar			Fund Capital	
Auditor	KPMG, Qatar			Assets Under Management	QAR 131m
Benchmark	Bloomberg GCC 200			Minimum Subscription	QAR 100,000

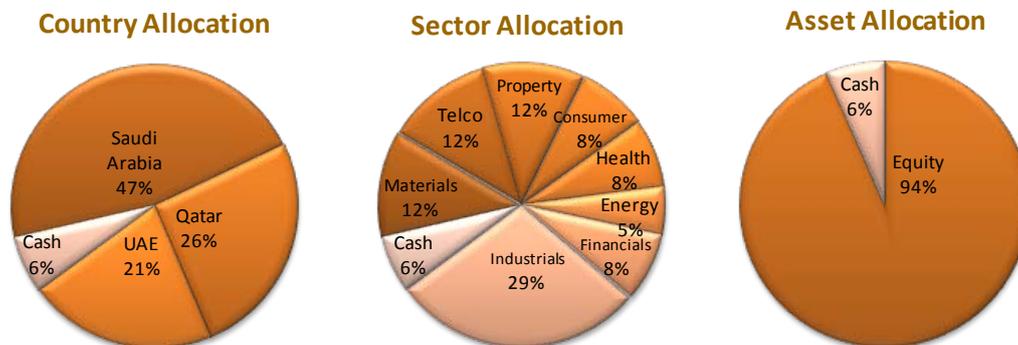
## Fund Managers Comment

In March, the Fund increased by 3.0% MoM while the Bloomberg GCC200 Index increased by 1.1% MoM. Since Inception (31<sup>st</sup> of October 2012), the Fund is by c.36% and c.9% Year-to-Date while focusing primarily on capital preservation.

Globally, equity markets continue to outperform most other asset classes as the global economy seems to be normalizing and the continuous decrease in systemic risks, volatility and credit default swaps are dictating higher earnings multiples for equities. Regionally, GCC equity markets have hit a fresh 5 years high. Going forward, as the first quarter nears an end, investors prepare for the earnings season; this coupled with the upcoming MSCI Emerging market upgrade, should act as a catalyst for our regional markets.

We advocate the quality style comprising high growth, defensive earnings, high dividend yield and low debt / equity in the mid-large cap part of the market while actively managing beta. Within the GCC, we continue to favor Saudi Arabia which trades at relatively attractive valuations, high dividend yields, strong visibility in cash flows, relatively high earnings growth and low(er) systemic risk (5 years sovereign KSA CDS trading at 52 vs. 102 GCC average). We also see a longer term catalyst in the fact that Saudi could be moving towards a more institutional-oriented equity market. On valuation, the GCC trades on 14.2x forward P/E yielding 2.8% and EM (Emerging Markets) on 10.2x forward P/E yielding 2.7%.

## Investment Allocation



## Fund Managers

Robert Pramberger, CFA (over 15 years of experience in financial markets)  
Patrick Rahal (over 9 years of experience in financial markets)

Bloomberg Ticker < TFIGCCF QD >

PO BOX 27778, Doha - Qatar

Tel (974) 8008555

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